

<b>FILED</b>
Date _____
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Clerk _____
Comm. Amdt. _____
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**Amendment No. 1 to HB0239**

**Pinion  
Signature of Sponsor**

**AMEND Senate Bill No. 139**

**House Bill No. 239\***

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 54-5-122, is amended by deleting subdivision (1) in its entirety, and by substituting instead the following language:

(1) The department shall provide thirty (30) days' notice that settlement is about to be made, which would allow any claimant(s) to file intent of their claims with the department. No notice of claim shall be valid unless it is verified by oath and filed within the time period indicated within the notice; and

SECTION 2. Tennessee Code Annotated, Section 54-5-123, is amended by deleting subsection (a) in its entirety, and by substituting instead the following language:

(a) The department shall withhold a sufficient sum from the contract price due to pay all claims, of which notice is filed with it, for a period of sixty (60) days from the last date in the notice, to allow claimants to sue and prove their claims against the contractor or its agent, in some court of competent jurisdiction. In the event a civil action is brought against the contractor within the sixty (60) days noted above, by any claimant, the department shall pay the amount of the claim into court. But in all cases where civil actions are not brought within the period of sixty (60) days, the department shall pay the sum or sums so withheld to the contractor. No civil action shall be valid unless it is filed after the filing of a notice of claim in accordance with § 54-5-122.

SECTION 3. This act shall take effect July 1, 2003, the public welfare requiring it.